Business Report

on the 2010 business operations of
E-Star Alternative Plc.
(Formerly RFV Plc.)

(company registration number: 01-10-045428, registered seat: 1122 Budapest, Székács u. 29.)

The Company closed the business year ending 31 December 2010 with an operating profit of HUF 795,442 thousand and a net profit of HUF 946,577 thousand, which represents a substantial, 59%, increase over the preceding year's balance sheet profit.

The Company's recognised net sales revenue amounted to HUF 3,396,043 thousand, which was 21.9% higher than that of the previous year. During the reporting period the Company's most significant cost was the HUF 1,749,440 thousand for sold (intermediated) services. The Company's operating profit was further reduced by HUF 392,475 thousand for purchased services, HUF 219,101 thousand for personnel costs and HUF 124,925 thousand for depreciation. Furthermore, expenditures on financial operations reached HUF 730,587 thousand.

The Company's balance sheet total amounted to HUF 9,919,596 thousand, which was twice the preceding year's figure. Growth was due mainly to a bond issue related to the company group's financing; debt arising from the bond issue amounted to HUF 3,785,000 thousand recorded on the liabilities side. On the asset side of the balance sheet corresponding growth was attributable to a HUF 3,840,054 thousand long-term loan facility related to the financing of the subsidiaries purchased or established in the course of the expansion in Romania that began in 2009.

The Company's shareholder's equity rose to HUF 3,189,595 thousand. The HUF 919,577 thousand rise in equity was due, to the net income posted in the 2010 business year and, reducing the equity, to an additional contribution to the equity of RFV Sárospatak Nonprofit Kft. at the amount of HUF 27,000 thousand.

The Company financed its activity, in part, through external funds, including, in addition to the above bond issuance, loans from Raiffeisen Bank Zrt. and Commerzbank Zrt. In order to secure the loans, Raiffeisen Bank Zrt. established a pledge on the Company's receivables and a right of collection over the Company's bank accounts. In order to secure the loans, Commerzbank Zrt. established a pledge on the Company's assets and receivables, and the Company deposited HUF 120 million as a cash security deposit with Commerzbank.

As at the balance sheet date, except for the suretyship for the bank loans taken out by RFV ESCO Kft. and another suretyship for RFV Beruházó Kft., the Company has no other guarantee- or suretyship-related obligation.

As at the balance sheet date, the Company had no environment protection-related obligations, as no hazardous material was generated over the course of the Company's operation. No research and development costs were incurred in the reporting year.

The Company's main financial indicators in the business year ended 31 December 2010 were as follows:

Indicators		**2009**	**2010**
Liquidity			
Liquidity ratio	Current assets / Short-term liabilities	0.88	2.83
Acid test	Current assets-Inventories / Short-term liabilities	0.84	2.69
Debt service			
Interest coverage	Operating profit/loss / Interest paid and interest-type liabilities	4.22	2.69
Capital structure			
Debt ratio	Liabilities / Total assets	0.51	0.65
Profit/Loss (tHUF)			
EBITDA		895,309	936,878
EBIT		789,856	811,953

The improvement in the liquidity ratios relative to the preceding year was due to a decrease in the proportion of short-term liabilities within total liabilities. The deterioration in interest coverage was due mainly to the fact that the amount of external funds raised in 2010 increased markedly over the course of the 2010 business year, while the projects implemented from these funds only began operation in the second half of the year; as a result, their profit only made a partial contribution to the Company's operating profit in 2010.

Based on the foregoing, we can state with confidence that the Company's business operations are sound and balanced, and display considerable growth potential.

In 2011 the Company intends to continue the expansion of its business activities in Hungary and Romania, and plans to enter a new Central European market.

In order to achieve the above goal, the Company will need to raise additional external funds, which it plans to do through the issuing of bonds and by taking up bank loans. 30% of the required financing will come from the Company's equity and 70% from external funds.

As a major step in its international expansion, the Company is planning to revamp its corporate image in the first half of 2011.

Budapest, 28 March 2011

Csaba Soós	Ákos Kassai
Chariman of the Board	Chief Executive Officer